

**UNIFIED SCHOOL DISTRICT NO. 432,  
VICTORIA, KANSAS**

**FINANCIAL STATEMENT  
AND INDEPENDENT AUDITORS' REPORT**

**For the Year Ended June 30, 2019**

**UNIFIED SCHOOL DISTRICT NO. 432  
VICTORIA, KANSAS**

**For the Year Ended June 30, 2019**

**TABLE OF CONTENTS**

	<u>Page Number</u>
Independent Auditors' Report.....	1
 <u>FINANCIAL SECTION</u> 	
Statement 1      Summary Statement of Receipts, Expenditures and Unencumbered Cash.....	4
Notes to the Financial Statement.....	5
 <u>REGULATORY - REQUIRED SUPPLEMENTARY INFORMATION</u> 	
Schedule 1      Summary of Expenditures - Actual and Budget - Regulatory Basis.....	18
Schedule 2      Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis	
 <b>General Fund</b>	
2-1      General Fund.....	19
2-2      Local Option Fund.....	23
<b>Special Purpose Fund</b>	
2-3      Capital Outlay Fund.....	25
2-4      Food Service Fund.....	26
2-5      Professional Development Fund.....	27
2-6      Special Education Fund.....	28
2-7      Vocational Education Fund.....	29
2-8      Recreation Commission Fund.....	30
2-9      At Risk Fund (K-12).....	31
2-10      KPERS Fund.....	32
2-11      Gift Fund.....	33
2-12      Title I & Title II Funds.....	34
2-13      Rural School Achievement Program Fund (REAP).....	35
2-14      Title IV Fund.....	36
2-15      Contingency Reserve Fund.....	37
<b>Bond and Interest Fund</b>	
2-17      Bond and Interest Fund.....	38
Schedule 3      Student Organization Funds.....	39

**UNIFIED SCHOOL DISTRICT NO. 432  
VICTORIA, KANSAS**

**For the Year Ended June 30, 2019**

**TABLE OF CONTENTS**

	<u>Page Number</u>
Schedule 4      District Activity Funds.....	40

**SUPPLEMENTARY INFORMATION**

Federal Financial Assistance.....	42
State Financial Assistance.....	42

# GUDENKAUF & MALONE, INC.

## Shareholder

Pamela Gudenkauf, CPA

Certified Public Accountants  
639 Main Street, P.O. Box 631  
Russell, Kansas 67665  
(785) 483-6220, Fax (785) 483-6221  
email: [accountants@gmbinc.net](mailto:accountants@gmbinc.net)

## Shareholder

James Malone, CPA

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Unified School District No. 432  
Victoria, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Unified School District No. 432, Victoria, Kansas, a Municipality, as of and for the year ended June 30, 2019 and the related notes to the financial statement.

### **Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note A of the financial statement, the financial statement is prepared by Unified School District No. 432, Victoria, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Unified School District No. 432 as of June 30, 2019, or changes in financial position and cash flows thereof for the year then ended.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Unified School District No. 432 as of June 30, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

#### **Other Matters**

##### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis of receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget; individual fund schedules of regulatory basis receipts and expenditures-actual and budget; schedule of regulatory basis receipts and expenditures-agency funds; and schedules of regulatory basis receipts, expenditures, and unencumbered cash-district activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards

generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of USD 432, Victoria, Kansas as of and for the year ended June 30, 2018 (not presented herein), and have issued our report thereon dated November 27, 2018, which contained an unmodified opinion on the basic financial statement. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2109 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

  
Gudenkauf & Malone, Inc.

December 2, 2019

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**  
**Regulatory Basis**  
**For the Year Ended June 30, 2019**

							<b>Statement 1</b>
<b>Funds</b>	<b>Beginning Unencumbered Cash Balance</b>	<b>Prior Year Cancelled Encumbrances</b>	<b>Receipts</b>	<b>Expenditures</b>	<b>Ending Unencumbered Cash Balance</b>	<b>Add Encumbrances and Accounts Payable</b>	<b>Ending Cash Balance</b>
<b>General Funds:</b>							
General	\$ -	\$ -	\$ 2,249,176	\$ 2,249,176	-	\$ 302	\$ 302
Local Option	36,550	-	769,863	742,847	63,566	555	64,121
Total General Funds	36,550	-	3,019,039	2,992,023	63,566	857	64,423
<b>Special Purpose Funds:</b>							
Capital Outlay	329,532	-	296,771	193,522	432,781	14,210	446,991
Food Service	65,186	-	210,671	212,197	63,660	-	63,660
Professional Development	-	-	5,078	5,078	-	-	-
Special Education	151,136	-	411,311	407,984	154,463	-	154,463
Vocational Education	-	-	126,576	125,722	854	-	854
Recreation Commission	504	-	32,877	30,394	2,987	-	2,987
At-Risk (K-12)	-	-	82,467	82,467	-	-	-
KPERS	-	-	174,525	174,525	-	-	-
Gift	13,857	-	91,861	83,441	22,277	25,000	47,277
Title I, Title II	-	-	24,405	24,405	-	-	-
REAP	-	-	25,737	25,737	-	-	-
Title IV	-	-	10,792	10,792	-	1,477	1,477
Contingency Reserve	311,022	-	-	-	311,022	-	311,022
District Activity Funds	14,723	-	53,475	52,645	15,553	-	15,553
Total Special Purpose Funds	885,960	-	1,546,546	1,428,909	1,003,597	40,687	1,044,284
<b>Bond and Interest Funds:</b>							
Bond and Interest	506,724	-	403,225	432,347	477,602	-	477,602
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<b>\$ 1,429,234</b>	<b>\$ -</b>	<b>\$ 4,968,810</b>	<b>\$ 4,853,279</b>	<b>\$ 1,544,765</b>	<b>\$ 41,544</b>	<b>\$ 1,586,309</b>
						Money market	\$ 1,613,001
						Checking	10,358
						Petty Cash	4,500
						Certificate of Deposit	15,000
						Total Cash	1,642,859
						Agency Funds Per Schedule 3	(56,550)
						Total Reporting Entity (Excluding Agency Funds)	<b>\$ 1,586,309</b>

The notes to the financial statement are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Municipal Financial Reporting Entity**

Unified School District No. 432 is a municipal corporation governed by an elected seven member board. This financial statement presents USD 432, Victoria, Kansas.

The related municipal entities discussed below are not included in the school district's financial statement but are related municipal entity because they was established to benefit the school district and/or its constituents. Neither entity's financial information was included in the audit.

**Recreation Commission.** USD No. 432 Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body but the District levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928. The recreation commission cannot purchase real property but can acquire real property by gift.

**USD 432 Foundation** The USD 432 Foundation was organized to charitably support the scientific, literary and educational goals of the school district by receiving gifts and donations.

**Regulatory Basis Fund Types**

**General Fund** - The chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

**Special Purpose Fund** - Used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

**Bond and Interest Fund** - Used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

**Capital Project Fund** - Used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

**Business Fund** - Funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

**Trust Fund** - Funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

**Agency Fund** - Funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, student activity funds, etc.).

**Basis of Accounting**

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The *Kansas Municipal Audit and Accounting Guide (KMAAG)* regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a



**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

**Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There was one such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds:

Athletics  
Gift Fund  
Contingency Reserve  
REAP

School Projects  
Title I  
Title II  
Title IV – Safe & Drug Free

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Reimbursements

A reimbursement is an expenditure initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, USD 432 records an expenditure in the reimbursing fund, and a reduction of expenditure in the reimbursed fund, following the authoritative guidance provided under KMAAG regulatory basis accounting.

Property Taxes

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County appraiser annually determines assessed valuations based on real estate transactions recorded by the Register of Deeds and personal property transactions reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Property taxes are assessed on a calendar year basis and become a lien on property on November 1 of each year. The taxes are due one-half on December 20th and one-half the following May 10th. Any taxes unpaid at the due dates are considered delinquent.

Collection of current year property tax by the County Treasurer is not completed, apportioned or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current operation of the District and therefore are not susceptible to accrual.

Undistributed taxes from the prior year levy are recognized as income in the current year. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period and, further, the amounts thereof are not material to the financial statement taken as a whole.

**NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Compliance with Kansas Statute

K.S.A. 10-816 requires checks outstanding for two years or more to be canceled and be resorted to the fund originally charged. There is one immaterial check that needs voided.

K.S.A. 58-3935 requires unclaimed payroll checks be turned over to the State Treasurer as unclaimed property after one year. There is one unclaimed payroll check that needs to be turned over to the State Treasurer.

USD 432 is not aware of any other non-compliance with Kansas statutes.

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE C - DEPOSITS & INVESTMENTS**

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

*Concentration of credit risk.* State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial credit risk - deposits.* Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2019.

At June 30, 2019, the District's carrying amount of deposits was \$1,642,859, and the bank balance was \$1,827,939. The difference between the carrying amount and the bank balance is outstanding checks and deposits. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$265,000 was covered by federal depository insurance and \$1,562,939 was collateralized with securities held by the pledging financial institution's agents in the District's name.

*Custodial credit risk - investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

**NOTE D - IN-SUBSTANCE RECEIPT IN TRANSIT**

The District received \$128,954 subsequent to June 30, 2019 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2019.

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE E - INTERFUND TRANSFERS**

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General Fund	Food Service	KSA 72-6428	43,419
General Fund	Professional Development	KSA 72-6428	5,078
General Fund	Vocational Education	KSA 72-6428	892
General Fund	At Risk (K-12)	KSA 72-6428	55,873
General Fund	Special Education	HSSB 7	257,420
Supplemental General Fund	Vocational Education	KSA 72-6433	125,684
Supplemental General Fund	Special Education	HSSB 7	151,855
Supplemental General Fund	At Risk (K-12)	KSA 72-6433	26,594

**NOTE F - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS**

*Other Post Employment Benefits.* As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

*Termination Benefits.* Unified School District No. 432 has implemented a plan for eligible employees of the District to receive benefits upon making an election to take early retirement. Early retirement is entirely voluntary and at the discretion of an eligible employee.

An employee is eligible for early retirement if the following conditions are met:

1. The employee is currently a full-time employee of the District
2. The employee is eligible for full retirement benefits under KPERS and is not more than 65 years of age.
3. The employee has fifteen years or more of employment service with the District.
4. The employee has twenty years or more of service credit recognized by the Kansas Public Employees Retirement System (KPERS).

It shall be the responsibility of the employee to provide all the facts and information necessary to prove eligibility for early retirement. An employee may apply for early retirement by giving written notice to the Superintendent of Schools on or before the first day of April preceding the anticipated retirement date. Such written notice shall include the following information:

1. A statement of the applicant's desire to take early retirement.
2. The anticipated date of retirement and their date of birth.
3. The number of years applicant has been employed by the school district.
4. The total number of years of service credit recognized by KPERS

Failure to request early retirement by April 1 shall not exclude the candidate, if the Board of Education chooses to give approval, even though the deadline may not have been met.

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE F - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS - CONTINUED**

Following final action on any application by the Board of Education for early retirement, the Superintendent shall notify the applicant in writing of the final disposition.

For certified employees, the amount of payment to the retiree who is 58 years of age or older shall be the equivalent of \$415 per month until the participant reaches the age of 62 years and then \$150 per month from the age 62 to 65 years of age.

If any certified employee chooses to retire before 58 years of age, the payment will be figured in the following manner: Take the amount a person could receive from 58 to 62 years of age (\$19,920) and divide this amount by the number of months from the eligible retirement date until they reach the age of 62 years old. Payment from age 62 to 65 years old will be \$150 a month.

For classified employees, the amount of payment to the retiree who is 58 years old or older shall be the equivalent of \$275 per month until the participant reaches the age of 62 years and then \$100 per month from the age 62 to 65 years of age.

If any classified employee chooses to retire before 58 years of age the payments will be figured in the following manner: Take the amount a person could receive from 58 to 62 years of age (\$13,200) and divide this amount by the number of months from the eligible retirement date until they reach the age of 62 years old. Payment from age 62 to 65 years old will be \$100 a month.

If death should occur to the participant during this agreement, the Board of Education will honor said agreement to the participant's spouse only for months that would have remained until the participant would have reached the age of 65.

The early retirement benefit shall be payable by the school district in the following manner: The benefit may be applied toward a membership in the school district's health insurance policy, or it may be taken in cash on a monthly basis, or it may be taken as a combination of the two. If any of the payment is to be made in cash, the payment shall be made each month or in a lump sum each year; for one year at a time in the discretion of the Board of Education.

Early retirement benefits paid for the year ending June 30, 2019, was \$9,770. The following is a schedule of the next five years of payments under the District's early retirement plan for the years ending June 30:

2020	5,985
2021	5,535
2022	5,385
2023	3,735
2024	3,735
Total	\$24,375

**Compensated Absences**

All employees of the District will be paid up to \$38 per day for any unused sick leave days upon retirement, resignation, death, or other reasons for terminating employment. The employee may take this remuneration as: (1) a lump sum, (2) as monthly payments on a health insurance policy carried by the District at the rate of no more than a single premium, if retiring, or (3) it may be applied to the employee's salary in the last year of employment, if retiring, provided the employee has declared their intent by June 1 preceding their last year. In the event the remuneration has not been paid out by the District by the time the employee reaches age 65, the

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE F - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS - CONTINUED**

employee will be given the remainder in a lump sum payment. In the event that options (2) or (3) above are selected, this policy must meet all legal requirements at the time of separation.

The maximum amount of remuneration one can receive is listed below:

<u>Years of Service</u>	<u>Amount</u>
1 to 10	\$ 13.50 per day
11 to 15	18.75 per day
16 to 20	24.00 per day
21 to 25	29.25 per day
26 to 30	34.50 per day
31 +	38.00 per day

All employees of the District receive 12 days of discretionary leave each year. All certified and non-certified employees, may accumulate the discretionary leave to 125 days.

The twelve month employees of the District, including Central Office secretaries, custodians, and the school superintendent, are entitled to paid vacations.

The District has employees eligible for compensated absence pay who have accumulated a total of 1930.25 unused sick days and 174.75 days of unused vacation days as of and for the year ended June 30, 2019. The estimated liability of unused sick leave at June 30, 2019 is \$46,582 and the estimated liability for unused vacation at June 30, 2019 is \$23,918.

**NOTE G - DEFINED BENEFIT PENSION PLAN (KPERS)**

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rate for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation of annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 16.38% and

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE G - DEFINED BENEFIT PENSION PLAN (KPERS) - CONTINUED**

12.01% respectively for the fiscal year ended June 30, 2018. The actuarially determined employer contribution rate and the statutory contribution rate was 14.59% and 13.21% for the fiscal year ended June 30, 2019.

Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Senate 43(17) of the bill also stipulated that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million per year. The first year payment of \$6.4 million was received in July 2017.

Per 2017 Senate Substitute for House Bill 2002, Section 51(a), state general fund employer contributions to KPERS were decreased by \$194,022,683 for the fiscal year ended June 30, 2019. Section 56(19) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2020. The level dollar amount was computed to be \$19.4 million per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$99,790 for the year ended June 30, 2019.

Net Pension Liability

At June 30, 2019, the District's proportionate share of the collective net pension liability reported by KPERS was \$2,548,008. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2018. Since KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

**NOTE H - CLAIMS AND JUDGEMENTS**

The District participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government.

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District continues to carry commercial insurance for these potential risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

During the ordinary course of its operations, the District is a party to various claims, legal actions and complaints. It is the opinion of the District's management and legal counsel that these matters are not anticipated to have a material financial impact on the District.

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE I - RELATED PARTY TRANSACTIONS**

In a governmental entity, related parties include members of the governing body, board members, administrative officials, and immediate families of administrative officials, board members, and members of the governing body. Required disclosures on related party transactions do not include compensation arrangements, expense allowance and similar items incurred in the ordinary course of operations. The following are not required to be reported, but are presented for information only.

	<u>2018-2019</u>
City of Victoria	13,830
Don Pruitt, board member, is an employee	
Ryan Mauch, board member, is an employee	
 Gorham State Bank	 26,101
Troy Schippers, board treasurer, is an employee	
 Midwest Energy	 52,703
Sean Rodger, board member, is an employee	



**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE J – LONG-TERM DEBT**

Changes in long-term liabilities for the District for the year ended June 30, 2019, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
<b>Lease Purchase:</b>									
Bus	2.86%	2/27/2017	146,115	2/27/2022	97,345	-	23,317	74,028	2,784
Copier		7/27/2017	10,816	7/27/2022	8,653	-	2,163	6,490	-
2 Printers & Copier		1/8/2019	37,733	12/1/2023	-	37,733	3,773	33,960	-
<b>General Obligation Bonds:</b>									
Series 2015	1.45%	1/16/2015	1,284	9/1/2019	856,000	-	423,000	433,000	9,345
<b>Total Contractual Indebtedness</b>					<u>961,998</u>	<u>37,733</u>	<u>452,253</u>	<u>547,478</u>	<u>12,129</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	Total
<b>Principal</b>						
Bus	\$ 23,984	\$ 24,670	\$ 25,375	\$ -	\$ -	\$ 74,029
Copier	2,163	2,163	2,163	-	-	6,489
2 Printers & Copier	7,547	7,547	7,547	7,546	3,773	33,960
2015 G.O. Bonds	433,000	-	-	-	-	433,000
<b>Total Principal</b>	<u>466,694</u>	<u>34,380</u>	<u>35,085</u>	<u>7,546</u>	<u>3,773</u>	<u>547,478</u>
<b>Interest</b>						
Bus	2,117	1,431	726	-	-	4,274
2015 G.O. Bonds	3,139	-	-	-	-	3,139
<b>Total Interest</b>	<u>5,256</u>	<u>1,431</u>	<u>726</u>	<u>-</u>	<u>-</u>	<u>7,413</u>
<b>Total Principal and Interest</b>	<u>\$ 471,950</u>	<u>\$ 35,811</u>	<u>\$ 35,811</u>	<u>\$ 7,546</u>	<u>\$ 3,773</u>	<u>507,761</u>

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**  
**NOTES TO THE FINANCIAL STATEMENT**  
**For the Year Ended June 30, 2019**

**NOTE K – SUBSEQUENT EVENTS**

In August 2019, the board approved to purchase iPads and MacBook Pros for \$43,625.

In August 2019, the board approved to pay the final general obligation bond payment of \$433,000.

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

**UNIFIED SCHOOL DISTRICT NO. 432  
VICTORIA, KANSAS**

**REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION**

**For the Year Ended June 30, 2019**

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance- Over (Under)
General Funds:						
General	\$ 2,314,907	\$ (66,623)	\$ 892	\$ 2,249,176	\$ 2,249,176	\$ -
Local Option	747,426	(4,579)	-	742,847	742,847	-
Special Purpose Funds:						
Capital Outlay	505,400	-	-	505,400	193,522	(311,878)
Food Service	290,433	-	-	290,433	212,197	(78,236)
Professional Development	7,013	-	-	7,013	5,078	(1,935)
Special Education	439,420	-	-	439,420	407,984	(31,436)
Vocational Education	133,657	-	-	133,657	125,722	(7,935)
Recreation Commission	30,394	-	-	30,394	30,394	-
At-Risk (K-12)	96,628	-	-	96,628	82,467	(14,161)
KPERS	284,802	-	-	284,802	174,525	(110,277)
Bond and Interest Funds:						
Bond and Interest	432,348	-	-	432,348	432,347	(1)
Total Budgeted Funds	5,282,428	(71,202)	892	5,212,118	4,656,259	(555,859)

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## GENERAL FUND

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental Receipts				
State Equalization Aid	\$ 1,989,888	\$ 1,978,118	\$ 2,030,142	\$ (52,024)
Mineral Production Tax	7,720	14,675	30,000	(15,325)
Special Education Aid	219,713	255,491	254,765	726
Other State Revenue	-	892	-	892
Total Receipts	2,217,321	2,249,176	\$ 2,314,907	\$ (65,731)
Expenditures and Transfers Subject to Legal Max Budget				
Instruction				
Certified Salaries	897,145	856,186	948,215	(92,029)
Early Retirement	4,606	6,106	-	6,106
Non-Certified Salaries	64,189	65,505	58,991	6,514
Employee Insurance	212,901	207,265	224,812	(17,547)
Social Security	67,867	67,295	69,367	(2,072)
Other Employee Benefit	5,074	5,073	5,124	(51)
Purchased Professional/Technical Services	90	2,666	5,000	(2,334)
Telephone	1,793	-	-	-
Tuition	1,423	18,125	6,850	11,275
General Supplies (Teaching)	5,634	14,036	26,000	(11,964)
Textbooks	466	44,540	30,000	14,540
Miscellaneous Supplies	25,985	15,781	36,000	(20,219)
Property	23,059	-	-	-
Other	9,133	13,550	1,600	11,950
Total Instruction	1,319,365	1,316,128	1,411,959	(95,831)
Student Support Services				
Certified Salaries	51,000	53,444	53,000	444
Non-Certified Salaries	36,300	38,500	38,010	490
Employee Insurance	24,304	30,326	27,220	3,106
Social Security	5,614	9,363	5,896	3,467
Other Employee Benefit	403	462	408	54
Purchased Professional/Technical Services	1,809	4,287	-	4,287
Supplies	919	423	3,200	(2,777)
Property	3,752	-	-	-
Other	111	-	1,495	(1,495)
Total Student Support Services	124,212	136,805	129,229	7,576

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## GENERAL FUND - CONTINUED

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Expenditures and Transfers - Continued				
Instruction Support Staff				
Certified Salaries	6,708	7,014	6,958	56
Social Security	403	413	410	3
Other Employee Benefit	5	5	5	-
Books/Periodicals	1,832	2,029	3,250	(1,221)
Audiovisual/Instructional Software	4,820	9,157	5,750	3,407
Miscellaneous Supplies	613	9	1,100	(1,091)
Property	-	-	750	(750)
Total Instruction Support Staff	14,381	18,627	18,223	404
General Administration				
Certified Salaries	48,300	57,878	49,645	8,233
Non-Certified Salaries	17,617	18,090	17,015	1,075
Employee Insurance	19,735	20,358	19,550	808
Social Security	4,879	5,679	4,950	729
Other Employee Benefit	409	436	425	11
Purchased Professional/Technical Services	11,029	10,775	11,455	(680)
Insurance	26,356	30,611	28,222	2,389
Communications	2,991	2,828	3,335	(507)
Other Purchased Services	9,426	3,299	4,700	(1,401)
Supplies	224	863	1,400	(537)
Property	760	-	-	-
Other	13,117	9,226	13,200	(3,974)
Total General Administration	154,843	160,043	153,897	6,146
School Administration				
Certified Salaries	124,285	122,878	111,500	11,378
Non-Certified Salaries	49,471	54,682	54,295	387
Employee Insurance	27,881	31,254	36,914	(5,660)
Social Security	12,242	9,507	12,000	(2,493)
Other Employee Benefit	897	891	850	41
Communications	4,414	6,050	6,500	(450)
Other Purchased Services	4,755	4,356	4,800	(444)
Supplies	122	643	2,880	(2,237)
Property	224	-	-	-
Other	37	324	250	74
Total School Administration	224,328	230,585	229,989	596

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## GENERAL FUND - CONTINUED

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Expenditures and Transfers - Continued				
Central Services				
Non-Certified Salaries	11,312	12,725	13,217	(492)
Social Security	782	884	790	94
Other	10	11	10	1
Other Purchases	96	-	-	-
Motor Fuel - Not School Bus	29	-	-	-
Total Central Services	12,229	13,620	14,017	(397)
After School				
Non-Certified Salaries	11,489	12,542	-	12,542
Social Security	736	818	-	818
Unemployment Compensation	9	10	-	10
Other	(10,597)	(10,065)	-	(10,065)
Total After School	1,637	3,305	-	3,305
Preschool				
Certified Salaries	17,250	18,350	-	18,350
Social Security	1,294	1,379	-	1,379
Other Employee Benefit	16	17	-	17
Other	(14,386)	(12,365)	-	(12,365)
Total Preschool	4,174	7,381	-	7,381

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## GENERAL FUND - CONTINUED

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Expenditures and Transfers - Continued				
Transfers				
Food Service	-	43,419	31,168.00	12,251
Professional Development Fund	5,410	5,078	6,200	(1,122)
At-Risk (K-12) Fund	87,331	55,873	65,460	(9,587)
Vocational Education	-	892	-	892
Special Education Fund	269,411	257,420	254,765	2,655
Total Transfers	362,152	362,682	357,593	5,089
Total Expenditures and Transfers				
Subject to Legal Max Budget	2,217,321	2,249,176	2,314,907	(65,731)
Adjustments for Qualifying Budget Credits	-	-	892	(892)
Adjustment to Comply with Legal Max	-	-	(66,623)	(66,623)
Legal General Fund Budget	2,217,321	2,249,176	<u>\$ 2,249,176</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## LOCAL OPTION FUND

		2019		Variance
	2018	Actual	Budget	Over
	Actual			(Under)
Receipts				
Ad Valorem Property Taxes	\$ 561,095	\$ 581,434	\$ 22,178	\$ 559,256
Delinquent Tax	1,424	13,160	8,864	4,296
Motor Vehicle Tax	43,381	43,660	28,625	15,035
Recreational Vehicle Tax	1,075	1,246	825	421
16/20M Vehicle Tax	2,228	2,148	4,721	(2,573)
Supplemental State Aid	127,214	128,215	129,006	(791)
Total Receipts	736,417	769,863	\$ 194,219	\$ 575,644
Expenditures				
Instruction				
Other Purchased Services - Tuition	4,037	5,803	3,598	2,205
Total Instruction	4,037	5,803	3,598	2,205
Operation and Maintenance				
Non-Certified Salaries	143,799	150,802	143,408	7,394
Insurance	42,515	39,290	41,302	(2,012)
Social Security	10,099	10,888	10,000	888
Other Employee Benefit	4,854	4,864	4,900	(36)
Water/Sewer	10,628	13,830	13,000	830
Snow Plowing	585	1,560	-	1,560
Heating	32,866	30,539	34,000	(3,461)
Cleaning	2,201	2,279	3,500	(1,221)
Computer Services	303	2,673	-	2,673
Repairs	1,918	4,042	4,000	42
Rental Services	3,629	2,171	4,000	(1,829)
Other Purchased Services	5,281	2,517	5,500	(2,983)
Supplies	22,224	22,459	24,000	(1,541)
Electricity	46,265	49,977	51,985	(2,008)
Motor Fuel	723	1,111	1,500	(389)
Property, Equip, Furnishings	12,845	385	-	385
Total Operation and Maintenance	340,735	339,387	341,095	(1,708)

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## LOCAL OPTION FUND - CONTINUED

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Expenditures - Continued				
Vehicle Operating Services and Maintenance				
Non-Certified Salaries	11,947	11,590	12,750	(1,160)
Social Security	901	861	1,200	(339)
Other Employee Benefit	361	390	1,180	(790)
Mileage in Lieu of Transportation	38,257	57,689	45,000	12,689
Insurance	3,671	4,256	3,750	506
Motor Fuel	13,297	11,370	14,000	(2,630)
Other	5,988	6,938	5,500	1,438
Other Purchased Services	200	-	200	(200)
Supplies	3,557	430	3,600	(3,170)
Total Vehicle Operating Services	78,179	93,524	87,180	6,344
Operating Transfers				
Food Service Fund	52,431	-	-	-
Special Education Fund	148,305	151,855	150,728	1,127
Vocational Education Fund	124,682	125,684	133,657	(7,973)
At Risk (K-12) Fund	-	26,594	31,168	(4,574)
Total Operating Transfers	325,418	304,133	315,553	(11,420)
Total Expenditures and Transfers				
Subject to Legal Max Budget	748,369	742,847	747,426	(4,579)
Adjustment to Comply with Legal Max	-	-	(4,579)	(4,579)
Legal Local Option Fund Budget	748,369	742,847	\$ 742,847	\$ -
Receipts Over (Under) Expenditures	(11,952)	27,016		
Unencumbered Cash, Beginning	48,457	36,550		
Prior-Year Cancelled Encumbrances	45	-		
Unencumbered Cash, Ending	\$ 36,550	\$ 63,566		

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## CAPITAL OUTLAY FUND

		2019		Variance
	2018	Actual	Budget	Over
	Actual			(Under)
Receipts				
General Property Taxes				
Ad Valorem Property Taxes	\$ 220,056	\$ 235,853	\$ 251,835	\$ (15,982)
Delinquent Tax	572	5,513	5,186	327
Motor Vehicle Tax	19,052	19,796	19,713	83
Recreational Vehicle Tax	479	568	569	(1)
16/20M Vehicle Tax	829	1,044	3,252	(2,208)
Other				
State Aid	4,654	-	-	-
Interest	556	5,993	1,000	4,993
Other	-	28,004	-	28,004
Total Receipts	246,198	296,771	\$ 281,555	\$ 15,216
Expenditures				
Instruction	56,415	50,056	107,000	(56,944)
Student Support Services	-	-	3,200	(3,200)
Instructional Support Staff	22,092	31,614	24,500	7,114
General Administration	5,191	-	6,000	(6,000)
School Administration	5,016	10,145	6,000	4,145
Operations & Maintenance	20,215	23,071	-	23,071
Equipment & Busses	26,100	77,504	-	77,504
Other Support Services	-	-	148,700	(148,700)
Site Improvement Services	26,724	1,132	210,000	(208,868)
Repair & Remodel Building	6,660	-	-	-
Total Expenditures	168,413	193,522	\$ 505,400	\$ (311,878)
Receipts Over (Under) Expenditures	77,785	103,249		
Unencumbered Cash, Beginning	249,047	329,532		
Prior-Year Cancelled Encumbrances	2,700	-		
Unencumbered Cash, Ending	\$ 329,532	\$ 432,781		

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## FOOD SERVICE FUND

		2019		Variance
	2018	Actual	Budget	Over
	Actual			(Under)
Receipts				
Intergovernmental Receipts				
State Equalization Aid	\$ 2,042	\$ 2,046	\$ 2,045	\$ 1
Federal Aid	63,421	59,124	78,015	(18,891)
Other Receipts				
Lunch/Breakfast - Students	96,290	100,953	107,539	(6,586)
Lunch Sales - Adults	5,436	5,129	6,480	(1,351)
Transfer from General Fund	-	43,419	31,168	12,251
Transfer from Local Option Fund	52,431	-	-	-
Total Receipts	219,620	210,671	\$ 225,247	\$ (14,576)
Expenditures				
Salaries	66,476	66,495	67,185	(690)
Employee Insurance	25,390	20,419	27,385	(6,966)
Social Security	4,320	4,618	4,610	8
Other Employee Benefit	1,420	1,287	1,500	(213)
Other Purchased Services	2,281	2,739	2,672	67
Food and Milk	103,622	109,397	140,000	(30,603)
Miscellaneous Supplies	5,029	6,412	9,000	(2,588)
Property (Equipment & Furnishings)	11,415	-	8,500	(8,500)
Other	906	830	29,581	(28,751)
Total Expenditures	220,859	212,197	\$ 290,433	\$ (78,236)
Receipts Over (Under) Expenditures	(1,239)	(1,526)		
Unencumbered Cash, Beginning	66,425	65,186		
Unencumbered Cash, Ending	\$ 65,186	\$ 63,660		

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## PROFESSIONAL DEVELOPMENT FUND

		2019		
	2018 Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	\$ -	\$ -	\$ 813	\$ (813)
Transfer From General Fund	5,410	5,078	6,200	(1,122)
Total Receipts	5,410	5,078	\$ 7,013	\$ (1,935)
Expenditures				
Support Services				
Purchased Professional/Technical Services	5,410	5,078	7,013	(1,935)
Total Expenditures	5,410	5,078	\$ 7,013	\$ (1,935)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## SPECIAL EDUCATION FUND

		2019		Variance
	2018	Actual	Budget	Over
	Actual			(Under)
Receipts				
Other Receipts	\$ 1,743	\$ 2,036	\$ -	\$ 2,036
Other Federal Funds	1,441	-	-	-
Transfer From Local Option Fund	148,305	151,855	150,728	1,127
Transfer From General Fund	269,411	257,420	254,765	2,655
Total Receipts	420,900	411,311	\$ 405,493	\$ 5,818
Expenditures				
Instruction	-	-	55,000	(55,000)
Payment to Special Ed. Co-op	363,618	399,363	373,778	25,585
Total Instruction	363,618	399,363	428,778	(29,415)
Vehicle Operating Service				
Salaries	4,626	5,952	6,575	(623)
Social Security	326	435	412	23
Other Employee Benefit	4	5	5	-
Insurance	500	638	525	113
Other Purchased Services	139	-	200	(200)
Motor Fuel	1,724	1,398	2,500	(1,102)
Supplies	175	-	175	(175)
Other	174	193	250	(57)
Total Vehicle Operating Service	7,668	8,621	10,642	(2,021)
Total Expenditures	371,286	407,984	\$ 439,420	\$ (31,436)
Receipts Over (Under) Expenditures	49,614	3,327		
Unencumbered Cash, Beginning	101,522	151,136		
Unencumbered Cash, Ending	\$ 151,136	\$ 154,463		

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## VOCATIONAL EDUCATION FUND

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfer From General Fund	\$ -	\$ 892	\$ -	\$ 892
Transfer From Local Option Fund	124,682	125,684	133,657	(7,973)
Total Receipts	124,682	126,576	\$ 133,657	\$ (7,081)
Expenditures				
Instruction				
Certified Salaries	93,007	96,823	106,182	(9,359)
Employee Insurance	19,240	16,451	19,890	(3,439)
Social Security	6,587	7,036	7,500	(464)
Other Employee Benefit	81	86	85	1
Purchased Professional/Technical Services	2,400	-	-	-
Other	2,400	4,838	-	4,838
General Supplies	967	488	-	488
Total Expenditures	124,682	125,722	\$ 133,657	\$ (7,935)
Receipts Over (Under) Expenditures	-	854		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ 854		

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## RECREATION COMMISSION FUND

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Receipts				
Ad Valorem Property Taxes	\$ 27,507	\$ 29,512	\$ 31,480	\$ (1,968)
Delinquent Tax	72	690	648	42
Motor Vehicle Tax	2,381	2,475	2,463	12
Recreational Vehicle Tax	60	70	72	(2)
16/20M Vehicle Tax	104	130	407	(277)
Total Receipts	30,124	32,877	\$ 35,070	\$ (2,193)
Expenditures				
Recreation Commission Appropriation	31,784	30,394	30,394	-
Total Expenditures	31,784	30,394	\$ 30,394	\$ -
Receipts Over (Under) Expenditures	(1,660)	2,483		
Unencumbered Cash, Beginning	2,164	504		
Unencumbered Cash, Ending	\$ 504	\$ 2,987		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## AT RISK FUND (K-12)

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfer From General Fund	\$ 87,331	\$ 55,873	\$ 65,460	\$ (9,587)
Transfer From Supplemental General Fund	-	26,594	31,168	31,168
Total Receipts	87,331	82,467	\$ 96,628	\$ 21,581
Expenditures				
Certified Salaries	37,795	38,679	39,800	(1,121)
Non-Certified Salaries	24,315	27,844	27,200	644
Insurance	20,775	11,918	25,000	(13,082)
Social Security	4,392	3,977	4,400	(423)
Other Employee Benefit	54	49	228	(179)
Total Expenditures	87,331	82,467	\$ 96,628	\$ (14,161)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## KPERS FUND

	2018 Actual	2019		Variance Over (Under)
		Actual	Budget	
Receipts				
State Aid	\$ 205,737	\$ 174,525	\$ 284,802	\$ (110,277)
Total Receipts	205,737	174,525	\$ 284,802	\$ (110,277)
Expenditures				
Employee Benefits	205,737	174,525	284,802	(110,277)
Total Expenditures	205,737	174,525	\$ 284,802	\$ (110,277)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ -		

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS****SCHEDULE OF RECEIPTS AND EXPENDITURES****Regulatory Basis****For the Year Ended June 30, 2019****(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)****GIFT FUND**

	<u>2018</u>	<u>2019</u>
Receipts		
Receipts From Local Sources	\$ 3,158	\$ 91,861
	<u>3,158</u>	<u>91,861</u>
Total Receipts		
Expenditures		
Supplies	-	3,323
Property	2,488	6,396
Building Improvements-Outside Contractors	-	73,722
	<u>2,488</u>	<u>83,441</u>
Total Expenditures		
Receipts Over (Under) Expenditures	670	8,420
Unencumbered Cash, Beginning	<u>13,187</u>	<u>13,857</u>
Unencumbered Cash, Ending	<u>\$ 13,857</u>	<u>\$ 22,277</u>

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS****SCHEDULE OF RECEIPTS AND EXPENDITURES****Regulatory Basis****For the Year Ended June 30, 2019****(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)****TITLE I & TITLE II FUNDS**

	<u>2018</u>	<u>2019</u>
Receipts		
Federal Aid	<u>\$ 24,532</u>	<u>\$ 24,405</u>
Total Receipts	<u>24,532</u>	<u>24,405</u>
Expenditures		
Instruction		
Certified Salaries	22,250	21,129
Employee Insurance	-	1,249
Social Security	1,609	1,596
Other Employee Benefit	62	61
Purchased Professional/Technical Services	<u>611</u>	<u>370</u>
Total Instruction	<u>24,532</u>	<u>24,405</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS****SCHEDULE OF RECEIPTS AND EXPENDITURES****Regulatory Basis****For the Year Ended June 30, 2019****(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)****RURAL SCHOOL ACHIEVEMENT PROGRAM FUND (REAP)**

	<u>2018</u>	<u>2019</u>
Receipts		
Education Grant	\$ 27,241	\$ 25,737
	<u>27,241</u>	<u>25,737</u>
Total Receipts	<u>27,241</u>	<u>25,737</u>
Expenditures		
Instruction Support Staff		
Certified Salaries	6,997	1,500
Non-Certified Salaries	-	1,500
Social Security	481	-
Employee Benefits	6	-
Purchased Professional/Technical Services	995	-
Property	2,522	-
Audiovisual & Instructional Software	15,040	22,737
Other	1,200	-
	<u>27,241</u>	<u>25,737</u>
Total Expenditures	<u>27,241</u>	<u>25,737</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS****SCHEDULE OF RECEIPTS AND EXPENDITURES****Regulatory Basis****For the Year Ended June 30, 2019****(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)****TITLE IV FUND**

	<u>2018</u>	<u>2019</u>
Receipts		
State Aid	\$ 590	\$ 10,792
	<u>590</u>	<u>10,792</u>
Total Receipts	<u>590</u>	<u>10,792</u>
Expenditures		
Certified Salaries	-	1,921
Non-Certified Salaries	-	2,050
Health Insurance	-	5,092
Social Security	-	249
Other Employee Benefits	-	2
Purchased Professional/Technical Services	50	-
Supplies	<u>540</u>	<u>1,478</u>
Total Expenditures	<u>590</u>	<u>10,792</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

\*2017-2018 Fund was named ESSA-Support Academic Enrich

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS****SCHEDULE OF RECEIPTS AND EXPENDITURES****Regulatory Basis****For the Year Ended June 30, 2019****(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)****CONTINGENCY RESERVE FUND**

	<u>2018</u>	<u>2019</u>
Receipts		
Receipts	<u>\$ -</u>	<u>\$ -</u>
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Expenditures	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>311,022</u>	<u>311,022</u>
Unencumbered Cash, Ending	<u><u>\$ 311,022</u></u>	<u><u>\$ 311,022</u></u>

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended June 30, 2019

(With Comparative Actual Totals for the Prior Year Ended June 30, 2018)

## BOND AND INTEREST FUND

	2018 Actual	2019		Variance Over Over (Under)
		Actual	Budget	
Receipts				
Ad Valorem Property Taxes	\$ 326,627	\$ 361,606	\$ 375,840	\$ (14,234)
Delinquent Tax	846	8,199	7,684	515
Motor Vehicle Tax	29,702	30,871	30,837	34
16/20 Motor Vehicle	1,228	1,661	5,087	(3,426)
Recreational Vehicle Tax	750	888	890	(2)
State Aid	8,870	-	-	-
Total Receipts	368,023	403,225	\$ 420,338	\$ (17,113)
Expenditures				
Principal	428,000	423,000	423,000	-
Interest	15,517	9,347	9,348	(1)
Total Expenditures	443,517	432,347	\$ 432,348	\$ (1)
Receipts Over (Under) Expenditures	(75,494)	(29,122)		
Unencumbered Cash, Beginning	582,218	506,724		
Unencumbered Cash, Ending	\$ 506,724	\$ 477,602		



## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

## SCHEDULE OF RECEIPTS AND DISBURSEMENTS

## Regulatory Basis

For the Year Ended June 30, 2019

## STUDENT ORGANIZATION FUNDS (AGENCY FUNDS)

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Cross Country	\$ 3	\$ 120	\$ 108	\$ 15
DVD	1,500	320	1,090	730
FCCLA club	11,758	47,412	51,644	7,526
FFA*	4,007	17,635	10,915	10,727
Girls Basketball	1,532	2,589	1,953	2,168
High School Football	100	600	700	-
High School Boys Basketball	-	8,431	5,067	3,364
High School Volleyball	433	3,082	3,508	7
Weight Lifting	3,007	1,347	3,044	1,310
Interest	352	21	-	373
Jump Start	4,643	2,127	4,152	2,618
Middle School Activities	763	2,270	2,399	634
Middle School Football	74	3,543	3,617	-
Middle School Boys Basketball	804	825	1,374	255
Middle School Volleyball*	162	510	447	225
National Honor Society	-	701	701	-
Pep club	891	3,820	4,087	624
Project	1,745	3,677	2,419	3,003
SADD	1,517	330	500	1,347
Skills USA	287	120	147	260
Student council	1,405	20,262	19,166	2,501
Tennis	478	136	323	291
Middle School Girls Basketball	47	-	-	47
Track	-	356	-	356
V-Club	2,009	6,278	3,845	4,442
Yearbook	12,605	12,945	11,823	13,727
Total Student Organization Funds	\$ 50,122	\$ 139,457	\$ 133,029	\$ 56,550

\*In prior years, FFA and Middle School Volleyball  
has been listed together under Middle School Volleyball.

## UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS

**Schedule of Receipts, Expenditures, and Unencumbered Cash**  
**Regulatory Basis**  
**For the Year Ended June 30, 2019**

## DISTRICT ACIVITY FUNDS

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash	Add Encumbrances and Accounts Payable	Ending Cash Balance
Athletics	\$ 8,514	\$ -	\$ 38,108	\$ 37,734	\$ 8,888	\$ -	\$ 8,888
School Projects	6,209	-	15,367	14,910	6,665	-	6,665
Total District Acitivity Funds	<u>\$ 14,723</u>	<u>\$ -</u>	<u>\$ 53,475</u>	<u>\$ 52,645</u>	<u>\$ 15,553</u>	<u>\$ -</u>	<u>\$ 15,553</u>

**UNIFIED SCHOOL DISTRICT NO. 432  
VICTORIA, KANSAS**

**REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION**

**For the Year Ended June 30, 2019**

**UNIFIED SCHOOL DISTRICT NO. 432, VICTORIA, KANSAS**

**For the Year Ended June 30, 2019**

**Federal Financial Assistance**

General	
Youth Risk Behavior Survey	\$ 157
Capital Outlay	
2018 Reserve Fund	1,971
Food Service	
Federal Aid	\$ 59,124
Title I & Title II	
Title I Low Income	18,581
Supporting Effective Instruction	5,824
Title IV (K-12)	
Student Support Academic Enrich	<u>10,792</u>
Total	<u>\$ 94,321</u>

**State Financial Assistance**

General Fund	
State Equalization Aid	\$ 1,978,118
Special Education Services Aid	255,491
Mentor Teacher	1,835
Incentive for Technical Education	892
Local Option	
Supplemental State Aid	128,215
Food Service	
Food Service Aid	2,046
KPERS	
KPERS Employer Contributions	<u>174,525</u>
Total	<u>\$ 2,541,122</u>